

**Procurement and Purchase Order Terms and Conditions**

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**1.0 Procurement and Purchase Order Terms and Conditions**

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**1.1 ACCEPTANCE:**

This order is Buyer's offer to Seller and acceptance is strictly limited to the terms herein and of the Purchase Order. Buyer is and shall not be bound by and specifically objects to any term or condition whatsoever which is different from or in addition to the provisions of this Purchase Order and/or these terms and conditions, whether or not such term or condition will materially alter this Purchase Order. Seller's commencement of performance or acceptance of this Purchase Order, in any manner, shall conclusively evidence Seller's agreement to this Purchase Order, as written, without alteration in any way.

**1.2 DEFINITIONS:**

Whenever used in this Purchase Order, (a) "Customer" means any customer of Buyer, any subsequent owner, operator or user of the Goods, and any other individual, partnership, corporation or person or entity which has or acquires any interest in the Goods from, through or under buyer; (b) "FAR" means the United States Government Federal Acquisitions Regulations; (c) "Goods" means all of the goods, services, documents, data, software and other information or items furnished or to be furnished to Buyer under this Purchase Order; (d) "Purchase Order" means the purchase order or contract issued by Buyer and accepted by Seller under the terms of this Agreement, including the provisions on the Order's face, these Procurement and Purchase Order Terms and Conditions, and all of the specifications, technical descriptions, statements of work, drawings, designs, documents, and other requirements and provisions attached to, incorporated into, or otherwise made a part of any Purchase Order by Buyer; (e) "Buyer" means Unitech Composites Inc. of Hayden, Idaho; (f) "Seller" means that person or entity identified on the Order.

Seller shall have a documented quality program that, at a minimum, addresses conformance of finished product to contract, drawing, material and process specifications, and manufacturing requirements. Seller to supply quality documents for Unitech Composites review, upon request. Unitech Composites shall flow down corrective action requirements to the seller when it is determined the seller is responsible for the root cause. Ineffective or late responses may result in probation or disqualification. Seller must be prepared to supply evidence of ITAR Compliance and EAR compliance.

**1.3 SHIPMENT/DELIVERY:**

Shipment or deliveries, as specified in this Purchase Order, shall be strictly in accordance with (a) the specified quantities, without shortage or excess; (b) the specified schedules, neither ahead of nor behind schedule; and (c) the other requirements of this Purchase Order. Seller shall promptly notify Buyer in writing of any anticipated or actual delay, the reason therefore, and the actions being taken by Seller to overcome or minimize the delay. If requested by Buyer, Seller shall, at Seller's sole and exclusive expense, ship Goods via air or other fast mode of transportation to avoid or minimize the delay and impact to Buyer to the maximum possible.

**1.4 PACKING AND SHIPPING:**

Seller shall prepare and pack the goods to prevent damage and deterioration, and shall comply with carrier tariffs. Each container of a multiple container shipment shall be identified (a) to show the number of the container and the total number of containers in the shipment, and (b) the number of the container in which the packing sheet has been enclosed. All shipments by Seller, or its subcontractors must include packing sheets containing, as applicable, the Purchase Order number, quantity, part number, size, description of the items shipped, and appropriate evidence of quality

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inspection. Materials for different Purchase Order(s) shall be listed on separate packing sheets. Charges for preparation, packing, crating and cartage are included in the price unless separately specified in the Purchase Order. Goods sold F.O.B place of shipment shall be forwarded collect. Seller shall make no declaration concerning value of Goods shipped except for Goods on which tariff rating is dependent upon released or declared value, in which event Seller shall release or declare such value at maximum value within the lowest rating.

**1.5 INVOICE AND PAYMENT:**

Seller shall issue a separate invoice for each delivery and shall not issue any invoice prior to the Purchase Order scheduled delivery date or actual delivery date, whichever is later. Payment will be made after receipt and acceptance of Goods by Buyer and correct invoice submittal by Seller. Unless freight or other charges are itemized, any discount will be taken on the full amount of the invoice. Payment terms are thirty days net. Payment due date, including discount periods, shall be computed from the date of receipt and acceptance of Goods or correct invoice, whichever is later, to the date Buyer's check is mailed or otherwise entered. Seller shall promptly repay to Buyer any amounts paid in excess of amounts due Seller. Buyer reserves the right to offset, setoff, or credit against any amounts which may be owed to Seller under this Purchase Order or otherwise.

**1.6 EXAMINATION OF RECORDS:**

Seller shall maintain complete and accurate records showing the sale volume, price, delivery Dates, and quality records of all goods. Such records shall support all goods delivered, services performed, allowances claimed, and costs incurred by seller in the performance of the purchase order, including to those factors with comprise of affected Direct labor hours, direct labor rates, material costs, burden rates, and subcontracts. Such records and other data shall be capable of verification through audit and analysis by buyer and shall be available to buyer at seller's facility for buyer's examination and audit at all reasonable times from the date of the purchase order until (10) years after final payment under the purchase order.

At the expiration of such period Unitech reserves the right to request delivery of such records, in the event Unitech chooses to exercise this agreement seller shall promptly deliver such records to Unitech at no additional cost. Seller shall provide Buyer with complete information regarding seller's performance for use in price negotiations with seller relating to existing or future purchase orders for goods. Material and process certifications, including lot traceability to original manufacturer are required, including sub-tier vendors with all shipments. All requirements of this order must flow down to any sub-tier vendors. Unitech reserves the right to reject inbound shipments and return them to seller if proper certification is not received with shipment. If no specification revision level is called out, the latest revision shall be used. Supplier and sub-tier vendors are required to use Unitech customer approved special process sources. Any sub-tier vendor that is not customer approved for special process sources may not be used without specific written approval from Unitech.

**1.7 RIGHT OF ENTRY:**

Seller agrees to grant right of access by Unitech, end use customers and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

**1.8 REQUIREMENTS FLOWDOWN:**

Suppliers are required to flow down to sub-tier suppliers the applicable requirements in the production of goods on this order, including key characteristics. Supplier and sub-tier suppliers must comply with requirements per purchase order statement, drawings and specifications submitted to the supplier.

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- Any order for tooling must comply with the requirements of D950-11509-1 for Boeing projects.
- Any order for tooling must comply with the requirements of TMS-MC-015 for Lockheed Martin projects.
- Orders for the Lockheed Martin program must comply with the requirements of Lockheed Martin quality appendix QX
- Access to OEM file transfer sites is required to obtain a copy of these documents for tooling requirements, or a copy can be obtained from the Tooling Manager at Unitech Composites, if needed.
- Orders that include Digital Product Definition (DPD) or Model Based Definition (MBD) must follow the requirements of Boeing’s D6-51991, Spirit’s MAA1-1009-1, or Northrop Grumman’s SQAR Supplement, depending on the end customer. If a supplier chooses to supply DPD geometry to any subcontractor, the same requirements must be flowed down to the subcontractor.
- A copy of the required documents can be obtained by contacting an authorized purchasing agent of Unitech Composites.
- All metals that are deemed Specialty Metals by DFARS must comply with all DFARS Specialty Metals requirements prior to shipment to Unitech Composites. Certs must state DFARS compliance and Country of Origin must be identified.

**1.9 INSPECTION AND ACCEPTANCE:**

Notwithstanding any payment or prior test or inspection, Buyer’s acceptance of Goods shall be subject to Buyer’s final inspection within 90 days after receipt at destination. In addition, Buyer or Buyer’s Customer(s) (including the United States Government) may inspect and evaluate Seller’s plant including, but not limited to, facilities, systems, equipment testing, data, personnel, and all work in-process and completed Goods manufactured for Buyer or Buyer’s Customer(s). No inspection, test, or prior approval or acceptance, and no delay or failure to inspect, test or give prior approval or acceptance, or failure to discover any defect or other noncompliance, whether latent or obvious, shall relieve Seller of any of its obligations nor impair any warranties, rights, or remedies of Buyer or of Buyer’s Customer(s).

**1.10 FOD PREVENTION:**

Seller shall maintain a FOD (Object Debris/ Damage Prevention) prevention program. Sellers FOD prevention program shall include the review of design and manufacturing processes to identify and eliminate foreign object entrapment areas and paths through which foreign object can migrate. Seller shall ensure work is accomplished in a manner preventing foreign objects or material in deliverable items. Seller shall maintain work areas and control tools, parts and materials in a manner sufficient to preclude the risk of FOD incidents. Seller shall document and investigate each FOD incident and ensure elimination of the root cause of each incident.

**1.11 PREVENTION OF COUNTERFEIT PARTS OR MATERIALS:**

Seller must notify Unitech Composites of nonconforming product and ensure process control to prevent Counterfeit parts from being delivered to Unitech Composites (Counterfeit part is considered a product produced or altered to imitate or resemble a product without authority or right to do so, with the content to mislead or defraud by passing the imitation as original or genuine) “Counterfeit Parts / Material prevention: Seller shall establish and maintain a Counterfeit Parts / Material Prevention and control Plan using AS-5553 (Ref. elements of section a) and/or AS6174 (Ref. elements of section 3) to ensure that counterfeit Work is not delivered to Unitech Composites. The purpose of the Seller’s Plan shall be to develop a robust process to prevent the delivery of counterfeit commodities and

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control commodities identified as counterfeit.”

**1.12 PRODUCT SAFETY:**

Seller (and seller employees) are required to prevent the use of counterfeit parts by the following when applicable: Ensuring that persons are aware of their contribution to product or service conformity, their contribution to product safety, and the importance of ethical behavior.

**1.13 REJECTION:**

Buyer may reject or revoke acceptance (“Rejection”) of any or all Goods, including any tender thereof, which are not strictly in conformance with all of the requirements of this Purchase Order, and shall notify Seller of such rejection by notice, rejection tag, or other communication. At Seller’s risk and expense, all such Goods will be returned to Seller for immediate Seller repair, replacement, or other correction and redelivery to Buyer, provided, however, that with respect to any or all such Goods, at Buyer’s election and at Seller’s risk and expense, Buyer may (a) hold, retain or return such Goods, without permitting any repair, replacement or other correction by Seller; (b) hold or retain such Goods for repair by Seller or , at Buyer’s election, for repair by Buyer with such assistance from Seller as Buyer may require; (c) hold such Goods until conforming replacements are obtained from a third party; or (d) return such Goods with instructions to Seller as to whether the Goods shall be repaired or replaced and as to the manner of redelivery. All repair, replacement and other correction and redelivery shall be completed within such time as Buyer may require. All costs and expenses and loss of value incurred as a result of/or in connection with nonconformance and repair, replacement, or other correction may be recovered from Seller by equitable price reduction, setoff, or credit against any amounts which may be owed to Seller under this Purchase Order or otherwise.

**1.14 FAI:**

First Article Inspection required per AS9102 standard. Seller shall perform a First Article Inspection (FAI) and/ or test as required, to insure conformance to specification and contract requirements. Full results of inspections and/or tests shall be documented on a report form identified as “First Article Inspection Report”. One copy of the FAI and supporting data shall be sent with the sellers shipping documents to Unitech Composites. All Suppliers that build to Boeing Engineering shall be required to use Net inspect to conduct First Article Inspections (FAI). Full results of inspections and/or tests shall be documented in Net Inspect. All other FAI requirements documented in the Term and Condition still apply.

**1.15 WARRANTIES:**

Seller warrants to Buyer and Buyer’s Customer(s) that Goods shall: (a) conform in all respects to all of the requirement of this Purchase Order; (b) be free from all defects in materials and workmanship; and (c) to the extent not manufactured pursuant to detailed designs furnished by Buyer, be free from all defects in design and be fit for the intended and/or material use and/or purpose(s).

**1.16 INDEMNITY/INFRINGEMENT:**

Seller shall indemnify, defend, hold, and save Buyer and Buyer’s Customer(s) harmless from all claims, suits, actions, awards (including but not limited to awards based on intentional infringement of patents known or reasonably knowable to Seller at the time of such infringement and those exceeding actual damages and/or including attorney’s fees), liabilities, damages, of any type, compensation, fines, penalties, costs, and/or attorney’s fees related to the actual or alleged infringement of any United States or foreign intellectual property right (including but not limited to any right in a patent, copyright, industrial design or based on misappropriation or wrongful use of information or document(s) and arising out of the manufacture, sale, or use of Goods to Buyer or Buyer’s Customer(s) and/or the

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known or reasonably knowable resultant use thereof. Buyer and/or Buyer's Customer(s) shall duly notify Seller of any such claim, suit, or action, and Seller shall, at its own expense, fully indemnify Buyer and fully defend and indemnify such claim, suit, or action on behalf of Buyer and/or Buyer's Customer(s). Seller shall have no obligation under this clause with regard to any infringement arising from: (a) Seller's compliance with formal specifications issued by Buyer where infringement could not be avoided in complying with such specifications, however, Seller agrees to notify Buyer of any known or reasonably knowable infringement before Seller's commencement of performance and/or in time to avoid unreasonable delay in delivery of Goods, or (b) use or sale of Goods in combination with other items when such infringement would not have occurred from the use or sale of those Goods solely for purpose for which they were designed or sold by Seller. For purposes of this clause, the term Customer shall not include the U.S. Government and the term Buyer shall include all of Buyer's officers, agents, representatives, and/or employees.

**1.17 CHANGES:**

Buyer's procurement Representative may from time to time direct changes in writing within the general scope of this Purchase Order in any one or more of the following: (a) technical requirements and descriptions, specifications, statements of work, drawings, or designs; (b) shipment or packing methods; (c) place of delivery, inspection, or acceptance; (d) reasonable adjustments in quantities, delivery schedules, or both; and (e) amount of Buyer-furnished property. Seller shall comply immediately with such direction and avoid unnecessary costs related thereto. If any such changes cause an increase or decrease in the cost of or the time required for performance of the Purchase Order, an equitable adjustment in the price(s) and/or schedule(s) of this Purchase Order may be made to reflect such increase or decrease, and, upon such agreed to adjustment, this Purchase Order shall be modified in writing, accordingly. Unless otherwise agreed in writing, any Seller claim for adjustment resulting from a Buyer change must be delivered to Buyer in writing within thirty days after Seller's receipt of such direction from Buyer. Seller shall make available for Buyer's examination all relevant books and/or records to verify Seller's claim for adjustment. Failure of Buyer and Seller to agree upon any adjustment shall not excuse Seller from performing in accordance with such direction. If Seller considers the conduct of any of Buyer's employees to have constituted a change hereunder, Seller shall notify Buyer immediately in writing as to the nature of such conduct and its effect upon Seller's performance. Pending written direction from Buyer's Procurement Representative, Seller shall take no action to implement any such change.

**1.18 TERMINATION FOR CONVENIENCE:**

Buyer may, in its sole and exclusive discretion, terminate this Purchase Order in whole, or from time to time in part, effective as of the date specified by Buyer, in accordance with the provisions of FAR 52.249-2 (APR 1984; without alternates), which provisions are incorporated herein by reference. In FAR 52.249-2, "Government" and "Contracting Officer" shall mean Buyer, "Contractor" shall mean Seller and this Contract and "the Contract" shall mean this Purchase Order. All references to one (1) year in paragraph (d) of such clause are changed to six (6) months and all references to "Disputes" clause(s) are deleted.

**1.19 CANCELLATION FOR DEFAULT:**

Buyer may, in its sole discretion, cancel this Purchase Order in whole or from time to time in part, effective as of the date specified by Buyer, in accordance with provisions of FAR 52.249-8 (APR 1984; without Alternates), which provisions are incorporated herein by reference, in the event of any Seller default or in the event of Seller's suspension of business, insolvency, reorganization or

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arrangement or liquidation proceedings, assignment for the benefit of creditors or Seller's trustee in bankruptcy or Seller as debtor in possession not assuming this Purchase Order pursuant to a Federal Bankruptcy Court's approval within sixty (60) days after the bankruptcy petition was filed, or appointment of a receiver for Seller's property. In FAR 52.249-8, "Government" and "Contracting Officer," shall mean Buyer except in paragraph (c). "Contractor" shall mean Seller, "this Contract" and "the Contract" shall mean this Purchase Order, and all references to "Disputes" clause(s) are deleted. If Buyer and Seller fail to agree on the amount to be paid for manufacturing materials referred to in paragraph (e) of FAR 52-249-8, the amount shall be the reasonable value thereof but shall not exceed that portion of the price of this Purchase Order which is reasonably allocable to such materials.

**1.20 RESPONSIBILITY FOR PERFORMANCE:**

Buyer's issuance of this Purchase Order is based in part on Buyer's reliance on Seller's holding itself out as having full and complete ability, expertise, and awareness of the intended use of the Goods, and Seller's ability and willingness for continuing compliance with all applicable laws and regulations during performance of this Purchase Order. Further, Seller shall not, by contract, operation of law, or otherwise, assign any of its rights, duties, or interest in this Purchase Order (including but not limited to any right to monies due or to become due), delegate any of its duties or obligations under this Purchase Order, or subcontract all or substantially all its performance of its obligations under this Purchase Order. Buyer may unilaterally assign any rights or title to property under this Purchase Order to any Unitech Composites, Inc., company, subsidiary, or affiliate or Buyer's Customer(s) Seller's and/or creditor(s). Seller shall have a continuing obligation to promptly notify Buyer of any violation or deviation from Buyer approved inspection/quality control system and to advise Buyer of the quantity and specific identity of any Goods delivered to Buyer during the period of any such violation or deviation from any Purchase Order specifications. Notify the organization of changes in product and / or process, changes of suppliers, changes of manufacturing facility location and, where required, obtain organization approval and flow down to the supply chain the applicable requirements including customer requirements, records retention requirements, right of access by organization, their customer and regulatory authorities to the applicable areas of all facilities, at any level of the supply chain, involved in the order and to all applicable records.

**1.21 PUBLICITY:**

Seller shall not, and shall require that its employees, agents, representative, subcontractors, and/or suppliers, of any tier, shall not cause, permit, facilitate, enable, assist, or in any way permit, allow, or be a part of the release of publication, in any format or method, any publicity, advertisement, news release, public announcement, or denial or confirmation of the same, in whatever form, regarding any aspect of this Purchase Order or the Goods or program to which they; pertain, without Buyer's prior written approval. In addition to any cause of action Buyer may have under this paragraph against anyone other than Seller, Seller agrees to be responsible to Buyer and/or Buyer's Customer(s) for any of Seller's employees, agents, representative, subcontractors, and/or suppliers, of any tier, that violate this clause, as though Seller had actually violated this clause itself.

**1.22 COMPLIANCE WITH LAWS:**

Seller shall be responsible for complying with laws, including, but not limited to, any statute, rule, regulation, judgment, decree, or order of permit ("Law") obligation under this Purchase Order. Seller further agrees (1) to notify Buyer of any regulation, at the earliest opportunity, but in all events sufficiently in advance of Seller's performance of such obligation so as to enable the identification of alternative methods of performance, and (2) to notify Buyer at the earliest possible opportunity of any aspect of its performance which becomes subject to additional Law or environmental law or regulation

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or which Seller reasonably believes will become subject to additional law environmental law or regulation during performance of this Purchase Order.

**1.23 RESPONSIBILITY FOR PROPERTY:**

Unless otherwise specified, upon actual delivery to Seller or manufacture or acquisition by Seller of any materials, parts, tooling, data, or other property, title to which is or will be upon delivery and/or acceptance in Buyer's name. Seller agrees to assume all risk of and shall be responsible, until actual delivery and successful inspection and acceptance by Buyer, for any loss thereof or damage thereto. In accordance with the provisions of this Purchase Order, but in any event upon completion thereof, Seller shall return such property to Buyer in the condition in which it was received except for reasonable wear and tear and except for such property as has been reasonably consumed in the performance of this Purchase Order.

**1.24 CONFIDENTIAL PROPRIETARY, AND/OR TRADE SECRET INFORMATION AND ITEMS:**

Buyer and Seller shall each keep confidential and protect from disclosure all (a) confidential, proprietary, and/or trade secret information; (b) tangible items containing, conveying, or embodying such information; and (c) tooling obtained from and/or belonging to the other in connection with this Purchase Order (collectively referred to as "Proprietary Materials"). Buyer and Seller shall each use Proprietary Materials of the other only in the performance of and for the purpose of this Purchase Order. Provided, however, that despite any other obligations or restrictions imposed by this clause, Buyer shall have the right to use and disclose Seller's Proprietary Materials for purposes of testing, certification, use, sale, or support of any item delivered under a Purchase Order. Any such disclosure by Buyer shall, whenever appropriate and possible, include a restrictive legend suitable to the particular circumstances. The restrictions on disclosure or use of Proprietary Materials by Seller shall apply to all materials derived by Seller or others from of Buyer's Customer(s) Proprietary Materials. Upon Buyer's request at any time, and in any event upon the completion, termination, or cancellation of this Purchase Order, for any reason, Seller shall immediately return all of the Buyer's or Buyer's Customer(s) proprietary Materials to Buyer unless specifically directed otherwise in writing by Buyer. Seller shall not, without the prior written authorization of Buyer, sell or otherwise, dispose of (as scrap or otherwise) any materials containing, conveying embodying or made in accordance with or by reference to any Proprietary Materials of Buyer. Prior to disposing of such materials as scrap, Seller shall render the materials unusable. Buyer shall have the right to audit Seller's compliance with this clause. Seller may disclose Proprietary Materials of Buyer or Buyer's Customer(s) to its subcontractors as required for the performance of this Purchase Order, provided that each such subcontractor first assumes, by written agreement acceptable to Buyer, the same obligations imposed on Seller under this clause relating to such Proprietary Materials and Seller shall be joint and severally and fully liable to Buyer and/or Buyer's Customer(s) for any breach of such obligation by such subcontractor as though Seller breached such obligation itself. The provisions of this clause are effective in lieu of, and will apply notwithstanding the absence of, any restrictive legends or notices applied to Proprietary Materials; and the provisions of this clause shall survive the performance, completion, termination, or cancellation, for any reason, of this Purchase Order. This clause supersedes and replaces any and all prior agreements and replaces any and all prior agreements and understandings between the parties to the extent that such agreements and understandings cover confidential, proprietary, and/or trade secret information, or tangible items containing, conveying, or embodying such information, related to any Goods, regardless of whether disclosed to the receiving party before or after the effective date of these Procurement and Purchase Order Terms and Conditions.

**1.25 INTEGRITY IN PROCUREMENT:**

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Buyer's policy is to maintain high standards of integrity in procurement. Buyer's employees must ensure that no favorable treatment compromises their impartiality in the procurement process. Accordingly, Buyer's employees must strictly refrain from soliciting or accepting any payment, gift, favor, or thing of value, which could improperly influence their judgment with respect to either issuing a purchase order or administering this Purchase Order. Consistent with this policy, Seller agrees not to provide or offer to provide any employee of Buyer any payments, gift, favor, or thing of value for the purpose of improperly obtaining or rewarding favorable treatment in connection with any order of this Purchase Order. Seller shall conduct its own procurement practices, and shall ensure that its suppliers conduct their procurement practices, consistent with these standards. If Seller has reasonable grounds to believe that this policy may have been violated, Seller shall immediately report such possible violation to the appropriate Purchase Agent or Buyer.

**1.26 NONWAIVER AND PARTIAL INVALIDITY:**

Any and all failure, delay or forbearance of Buyer in insisting upon or enforcing at any time any of the provisions of this Purchase Order (or in exercising any right or remedies under this Purchase Order), shall not be construed as a waiver or relinquishment of any such provisions, rights or remedies in those or any other instances; rather, the same shall be and remain in full force and effect. Further, if any provision of this Purchase Order is or becomes void or unenforceable by law, the remainder shall be valid and enforceable.

**1.27 GOVERNMENT REQUIREMENTS:**

Within Seller's invoice or other form satisfactory to Buyer, Seller shall certify that Goods covered by this Purchase Order were produced in compliance with Sections 6, 7 and 12 of the Fair Labor Standards Act, as amended, and the regulations and orders of the U.S. Department of Labor issued there under, paragraph (b) of the Equal Opportunity clause set forth in FAR 52.222-26, FAR 52.222-35, affirmative Action for Special Disabled and Vietnam Era Veterans, and FAR 52.22-36, Affirmative Action for Handicapped Workers, and incorporated herein by reference, except that "Contractor" shall mean Seller in such FAR clauses. In the event that this Purchase Order is placed against a United States government contract or purchase order, the clauses set forth in the Federal Acquisition Regulation (FAR) or similar federal procurement regulation which are included in Buyer's contract or purchase order are hereby incorporated by reference and made a part of this Purchase Order; provided, however, that appropriate revisions of these clauses shall be deemed to have been made so that, for example, references to "contracting officer" or "government" shall apply to the Buyer, and references to the "contractor" shall apply to the Seller as appropriate to the intent of each clause used in the government contract.

**1.28 DPAS CLAUSE:**

If this is a rated order certified for National Defense use, seller is required to follow all the provisions of the Defense Priorities and Allocations System regulation (15 CFR part 700) in obtaining controlled materials and other product, services and materials needed to fill this order. If this is a DX rated order, seller must provide buyer with written acceptance or rejection of this order within (10) working days after receipt. If this is a DO rated order, seller must promptly provide buyer with written acceptance or rejection of this order within (15) working days after receipt. Seller must include in any written rejection of a rated order the reasons for the rejection. Seller's written acknowledgement of this rated order shall constitute written acceptance of the DPAS rating. When applicable, the DPAS rating is specified in the line item(s) contained in this Purchase Contract. Seller's commencement of performance or acceptance of this purchase contract in any manner shall conclusively evidence acceptance of the Purchase Contract as written.



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**1.29 GOVERNING LAW:**

This Purchase Order and the performance thereof shall be governed by the laws of the State of Idaho, U.S.A., exclusive of and without regard to any choice and/or principles of law rules thereof.

**1.30 ENTIRE AGREEMENT:**

This Purchase Order sets forth the entire agreement, and supersedes any and all other agreements, understandings, and/or communications between Buyer and Seller related to the subject matter of this Purchase Order. No amendment or modification of this Purchase Order shall be binding upon Buyer unless set forth in the Purchase Order or a written instrument signed by Buyer's Material Representative. The rights and remedies afforded to Buyer and/or Buyer's Customer(s) pursuant to any provision of this Purchase Order are in addition to any other rights and remedies afforded by any other provisions of this Purchase Order, by law, or otherwise.

**1.31 CORRECTIVE ACTION AGREEMENT:**

Where Seller is requested to submit a corrective action report, Seller will submit its response within ten (10) days of receipt of such request unless Unitech Quality Assurance Representative otherwise provides an extension. Any corrective action report submitted to Unitech shall be in the format specified by Unitech. In the event Seller is unable to respond within the allotted (10) ten-day time frame, Seller will notify Unitech of its inability to fully respond as soon as possible but no later than five days after receipt of said request at which time Seller shall submit a request for extension which shall include the reason for the extension request and the time needed to complete the corrective action report.

When Unitech notifies the Seller of a detected nonconformance, the Seller shall immediately take action to eliminate the nonconformance on all products in Seller's control. Seller shall also maintain, on file, verification that root cause corrective action has occurred and has resolved the subject condition. At the specific request of Unitech, this verification shall occur for the next five (5) shipments after implementation of the corrective action to ensure detected nonconformance has been eliminated. Unitech reserves the right to review the verification data at Seller's facility or have the data submitted to Unitech in a format agreed to by both parties.

**1.32 NOTIFICATION OF ESCAPEMENT AGREEMENT:**

Seller shall provide written notification to Unitech within (1) one business day when a nonconformance is determined to exist or is suspected to exist, on product already delivered to Unitech under this agreement. The written notification shall contain at a minimum the following information:

- Affected process or product number and name of product
- Description of the problem (i.e. What it is and what it should be)
- Quantity and dates delivered
- Suspected/affected serial number(s) or date codes when applicable

**1.33 NOTIFICATION OF DISCONTINUED OR OBSOLETE PRODUCT**

Seller shall provide notification to Unitech within (1) one business day if product is discontinued or deemed obsolete. The written notification shall contain at a minimum the following information:

- Affected product number and name of product
- Summary of purchase orders that are impacted
- Suggested substitutions

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**1.34 PAYMENT FOR LABOR AND MATERIAL; WAIVER OF LIENS**

Seller shall be responsible for the prompt payment of its suppliers, subcontractors, and other persons who furnish goods, services, materials, equipment, supplies or other items used or to be used in the performance of this Agreement and/or the Orders. Seller shall keep all property owned or controlled by Buyer Indemnitee or its customer(s) free and clear of all liens, claims and encumbrances arising out of or relating to the performance of this Agreement and the Orders by Seller or its suppliers, subcontractors or other persons. Seller, for its suppliers, subcontractors, material men, laborers and for all other persons furnishing any goods, services, material equipment, supplies and other items used or to be used for any of the work, hereby waives and releases, to the fullest extent permitted by Law, all right to file or maintain any mechanic's or other liens of claims for or on account of the Products and/or Services provided under this Agreement and the Orders.